

# ***Harnessing the Next Phase of Wind Development in Rural Indiana: The Case for Strong State Policy***

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# About the Hoosier Environmental Council, and ICREED

- Hoosier Environmental Council
  - Largest environmental organization in Indiana
  - 10,000 people on our e-mailing list
- ICREED
  - The Indiana Coalition for Renewable Energy and Economic Development (ICREED)
  - Group of businesses, environmental, conservation, public health and consumer protection groups advocating for a bold vision for the state
  - Testified in the 2006, 2007, and 2008 legislative sessions

# Rural Development and Wind Power

1. Others on this panel will speak to:
  - Local economic benefits
  - County payments
  - Wind ordinances
2. Speak to the *big picture*, which is crucial to sustaining rural-based wind development
3. Policy: “Renewable Electricity Standard,” net metering, and incentives for community-owned wind

# Some Things All Parties Can Agree On

1. Wind power is finally here in Indiana, and only to grow more.
2. Rural economic benefits:
  - Landowner benefits
  - County benefits
  - Construction jobs



**Now what?**

Two Main Options



**“Let the free market do its thing.”**

- Philosophical conservatives
- Investor owned utility executives
- Some legislators and officials in the executive branch

# **“Policy is Necessary to Fully Realize the Promise of Wind Power in Indiana”**

- Entrepreneurs
- Environmental, public health and consumer groups
- Construction firms
- County economic officials
- Agricultural groups
- Some legislators, executive officials
- National security hawks

# Continued investment in the absence of strong policy is inevitable.

- Wind speeds are good
- Proximity to different transmission grids
- Markets are there outside of Indiana

Anecdote:

- Legislators, advocates “nothing far-reaching gets done in the legislature”

**But policy *maximizes* the promise of  
wind power to rural counties  
and to the state overall**



# #1: Policy Triggers Rural/Agricultural Investment Statewide

- Dozens of wind farms like to be prospected
  - Policies that ensure buyers for electricity will be much more likely to be built
  - Reduce cost of capital
- Community-owned wind
- Small wind systems



## #2: Policy Helps Cushions Small Hoosier Businesses Against Rising Energy Costs

- Federal carbon regulations will raise electricity prices by 30% by 2020, and 40% by 2030 (SUFG, 2008)
- Due to fossil fuel dependency of our electricity sector



# #3: Policy Puts a Dent in Our Health Care Costs

- \$5 billion in expenditures in particulate pollution costs alone
- Ds and Fs in:
  - Ozone pollution (e.g. Marion County)
  - Particulate pollution (NW, SW, Indiana)



## #4: Policy Can Induce Widespread Investment in Manufacturing

- Wind component manufacturing investment tends to occur in areas with strong policies:
  - Clipper Wind (IA)
  - Suzlon (MN)
  - Siemens (IA)
  - Gamesa (PA)



## #5: Policy Keeps Indiana Competitive

- Illinois, Minnesota, Ohio, Wisconsin
- Michigan (passed out of the House)
- Missouri (on the referendum ballot)



**Conclusion: Case for Policy is  
rigorous and compelling**

Now what?



**Focus Energies on the Passage of a  
State Level Renewable Electricity  
Standard in 2009**



# A Renewable Electricity Standard

- A requirement for utilities to buy an increasing percentage of their electricity from renewables
- Passed in half of the states in the U.S.
- A driver of 70% of investment

# Legislative History

- Passed in the Indiana House in 2007
- Four bills introduced in 2008
  - Conference committee
- It fell in 2008 because:
  - Differing Senate and House views on definition, percentage
  - Utility concessions
  - Out-of-date information, misinformation

# How do we bring it over the top?

1. Recognize the merits of those opposed to policy.
  - Make the case that policy is in the best interests of Indiana's economy and environment
2. Address commonly held concerns.
  - RES (e.g. rate impact),
  - Wind power (intermittency, bird impact)
3. *Deepen the rural economic development benefit of an RES*
4. Build meaningful relationships with legislators.
  - In the summer, not December

# Let's work together

- There's too much at stake – unity is more powerful
- Work with ICREED to advance the banner of not only an RES, but advanced policy research, small wind development, net metering legislation, and other initiatives

**THANK YOU**

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